

REMARKS

Applicants reply to the Office Action dated May 27, 2010 within three months. The Examiner rejects all pending claims 1, 4, 6-7, 12-14 and 17-23. Applicants cancel claim 6, without prejudice or disclaimer to re-file claims of a similar nature in this or a subsequent application. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Applicants assert that the application is in condition for allowance and reconsideration of the pending claims is requested.

Claim Objections

The Examiner objects to the claim element “releasing form the pending status” in claim 1. Applicants amend claim 1 to further clarify the patentable aspects of the presently claimed invention and as such respectfully request that the objection be withdrawn.

Rejections Under 35 U.S.C. § 112

The Examiner rejects claim 1, under 35 U.S.C. § 112 second paragraph, as being indefinite. Applicants respectfully disagree; however, Applicants amend claim 1 to further clarify the patentable aspects of the presently claimed invention and as such, respectfully request that the rejection being withdrawn.

Rejections Under 35 U.S.C. § 103(a)

The Examiner rejects claims 1, 4, 6-7, 13, 17-19, and 21-23 under 35 U.S.C. § 103(a) as being unpatentable over Understein (U.S. Patent Application Publication No.2003/0225678) in view of Arkes (U.S. Patent Application Publication No. 2007/0118461). The Examiner rejects claims 12 and 20 under 35 U.S.C. § 103(a) as being unpatentable over Understein and Arkes in view of Iannacci (U.S. Patent Application Publication No. 2002/0062249). The Examiner rejects claim 14 under 35 U.S.C. § 103(a) as being unpatentable over Understien and Arkes in view of Mok (U.S. Patent Application Publication No. 2004/0015394). Applicants respectfully disagree with the Examiner's rejections; however, Applicants amend certain pending claims, without prejudice or disclaimer, to further clarify the patentable aspects of the presently recited claims.

Understein discloses an auction system that allows a user to bid on various items using an account. Understein restricts the user to bidding based on the account balance of the users account (e.g. a monetary value account, a line of credit, etc.). In other words, Understein does not disclose a system which allows a bidder to bid on multiple pending items, where the total amount of the

various bids exceeds the account balance of the user. Further, the system of Understein does not monitor the various accounts and cancel pending bids that would otherwise exceed a balance of a user's account in response to the user winning a first auction.

Arkes discloses a closed rewards on-line auction, typically offered by an employer to incentivize employees. The system provides the participant (e.g. an employee) with a points account which can be used to bid on auction items. Like Understein, Arkes does not disclose a system which allows a bidder to bid on multiple pending items, where the total amount of the various bids exceeds the account balance of the user. Further, Arkes does not disclose a system that monitors the various accounts and cancel pending bids that would otherwise exceed a balance of a user's account in response to the user winning a first auction.

Moreover, neither Iannacci nor Mok, cure the deficiencies of Understein or Akers as discussed above. As such, Applicants assert that Understein, Arkes, Iannacci, and Mok, whether considered alone or in combination, do not disclose a system that allows a user to leverage the user's entire account balance in multiple auctions. **These systems limit the user's ability to participate in various auctions and preclude the user to pursuing multiple items (where the total purchase amount of the items would exceed the balance of the users account) at the same time in an auction environment.**

As such, Applicants assert that the cited references (alone or in combination) do not disclose or contemplate at least, "monitoring, by the computer based system, the first bid and the second bid, **wherein a total bid amount of the first bid and the second bid exceed the rewards account balance**"; "reducing, by the computer based system, the rewards account balance by an amount corresponding to at least one of the first bid and the second bid in response to the indication from the auction system, **wherein the account balance is not greater than at least one of the first bid and the second bid which is still pending**"; or "**cancelling, by the computer based system, at least one of the first bid and the second bid**, in response the receiving the indication from the auction system" (emphasis added) as similarly recited in claims 1, 21, and 22.

Furthermore, claims 1, 4, 7, 12-14 and 17-21 variously depend from independent claim 1. As such, Applicants assert that claims 1, 4, 7, 12-14 and 17-21 are differentiated from the cited references for the same reasons as set forth above, in addition to their own novel features. Thus, Applicants respectfully request allowance of all pending claims.

When a phrase similar to "at least one of A, B, or C" or "at least one of A, B, and C" is used in the claims or specification, Applicants intend the phrase to mean any of the following: (1) at least

one of A; (2) at least one of B; (3) at least one of C; (4) at least one of A and at least one of B; (5) at least one of B and at least one of C; (6) at least one of A and at least one of C; or (7) at least one of A, at least one of B, and at least one of C.

Applicants respectfully submit that the pending claims are in condition for allowance. The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. **19-2814**. If an extension of time is necessary, please accept this as a petition therefore. Applicants invite the Office to telephone the undersigned if the Examiner has any questions regarding this Reply or the present application in general.

Respectfully submitted,

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